

# FISCAL NOTE

## SB 687 - HB 1911

March 18, 1997

**SUMMARY OF BILL:** Expands the current 25% fee discount program for children of licensed public school teachers to include children of parents who are employed by a local education agency in a full-time capacity. The 25% discount will apply only for those eligible students enrolled at a state-operated higher education institution.

### ESTIMATED FISCAL IMPACT:

#### Increase State Expenditures - \$632,000

Assumes lost revenues to UT and Board of Regents systems will be replaced with state funds.

This estimate assumes the following:

1. There are approximately 38,000 full-time employees of local education agencies in a non-instructional capacity.
2. The participation rate for dependents of non-instructional employees is estimated to be 4%, or 1,520.
3. The average tuition discount of this program is estimated to be approximately \$416 per participant.

Details of this estimate are shown below:

|                                    |                                  |
|------------------------------------|----------------------------------|
| Non-instructional employees        | 38,000                           |
| Participation factor               | <u>4.0%</u>                      |
| Estimated participants             | 1,520                            |
| Estimated Maint. Fee Per Yr.       | \$ 1,663 per year                |
| Estimated Maint. Fee Disc. Per Yr. | \$416 (25% discount)             |
| Est. Inc. in State Expenditures    | <u>\$632,320</u> (\$416 x 1,520) |

***Note: Participation rate based on estimates of past employee to participation ratios in similar programs.***

### CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director